



INSURANCE FRAUD INVESTIGATION DIVISION
Kentucky Department of Insurance
909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050
Phone 502-564-1461 – FAX 502-564-1464
Fraud Statistics/Convictions Activity
December 2014

| <u>Fraud Statistics</u> | <u>Month/December</u> | <u>YTD</u> |
|--|------------------------------|-------------------|
| Total Referrals Received..... | 95 | 1,676 |
| Closed Referrals..... | 70 | 1,114 |
| Open Cases (Investigations – includes prior years)..... | | 366 |
| Assigned Cases (Investigations)..... | 43 | 122 |
| Closed Cases (Investigations)..... | 50 | 130 |
| Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor..... | | 5 |
| Charges (41 felony, 0 misdemeanor) | 41 | 196 |
| Convictions (0 felony, 4 misdemeanor) | 4 | 49 |
| Restitution Ordered..... | \$ 26,134.53 | 296,035.56 |
| Restitution Agreed..... | \$.00 | .00 |
| Restitution Total..... | \$ 26,134.53 | 296,035.56 |
| Investigation Expenses to Division | | |
| Awarded..... | \$ 1,000.00 | 11,620.95 |
| Collected..... | \$ 306.76 | 10,045.50 |
| DOI Fines..... | \$ 400.00 | 400.00 |
| Administrative Subpoenas Issued..... | 2 | 28 |
| Non-Licensed Individuals..... | 1 | 27 |
| Licensed (active/inactive individuals)..... | 1 | 1 |
| Subpoenas Received..... | 11 | 44 |

Convictions Activity

Michael Buck and Aeron Toney – Buck and Toney rented a U-Haul truck and purchased an insurance protection plan for the purpose of staging an auto accident with the rented truck. Buck and Toney pleaded guilty to attempted fraudulent insurance acts over \$500. Buck was ordered to pay restitution of \$500 to the Insurance Fraud Investigation Division and was sentenced to 365 days in jail, conditionally discharged after two years. Toney was sentenced to 365 days in jail, conditionally discharged after two years, and was ordered to pay \$500 to the Insurance Fraud Investigation Division, \$10,000 to RepWest and \$10,508 to Nationwide Insurance Company.

Michael Rackard and Chelsea Carter – Rackard and Carter rented a U-Haul truck and purchased an insurance protection plan for the purpose of staging an auto accident with the rented truck. Rackard and Carter pleaded guilty to attempted fraudulent insurance acts over \$500. Each was sentenced to 365 days in jail, conditionally discharged after two years, and ordered to pay \$135 each in court costs.